

Relevant Excerpts from
Title 5: ADMINISTRATIVE PROCEDURES AND SERVICES
Chapter 383: ECONOMIC AND COMMUNITY DEVELOPMENT
Maine Revised Statutes

Title 5: ADMINISTRATIVE PROCEDURES AND SERVICES
Chapter 383: ECONOMIC AND COMMUNITY DEVELOPMENT

Subchapter 1: GENERAL DEPARTMENT STRUCTURE AND AUTHORITY

Article 1: DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT:
GENERAL ORGANIZATION MISSION AND RESPONSIBILITIES

§13051. LEGISLATIVE FINDINGS

The Legislature finds that the State's economy is linked to the national and international economies. Economic changes and disruptions around the world and in the nation have a significant impact upon the State's economy. The rise of 3rd-world and 4th-world countries as manufacturers of commodities for mass markets and the gradual evolution of the national economy to a technological, informational, specialty product-based economy have significantly affected the State and its communities. [2013, c. 2, §5 (COR) .]

In order for the State's economy to grow and gain a solid footing, it is necessary to determine the State's assets and the economic opportunities that are or will be available to the State's enterprise, municipalities and labor force. When these opportunities are determined or become apparent, state economic development policies and programs must be focused on facilitating the realization of these opportunities and removing barriers that impede the exploitation of these opportunities. [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

The Legislature finds that an economic development strategy designed to focus the State's economic development activities and resources on economic opportunities can significantly help the State and its municipalities realize greater growth and prosperity without adversely affecting the quality of life in the State. An economic development strategy must recognize and reflect the different needs, conditions and opportunities of the several different economic regions of the State. This strategy must be flexible and periodically evaluated to make it consistent with changes in conditions and opportunities that arise during these times of dynamic change. It is necessary to involve municipalities, regional economic development organizations and the private sector in the formulation of this strategy in order to establish a well developed and comprehensive plan that has the support of the State's citizens and officials. [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1987, c. 816, §P4 (AMD). 1991, c. 622, §F5 (AMD). RR 2013, c. 2, §5 (COR) .

§13052. PURPOSE

The Legislature finds that the decentralization of economic growth and development programs among several state agencies without any coordination of programs and agencies and without coordination with the State's municipal and regional economic efforts is not in the best interest of the State. The Legislature further finds that the State's economic development programs and policies and the economies of municipalities and regions mutually affect each other. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

For state economic growth and development policies and programs to realize the greatest possible degree of effectiveness, it is necessary to coordinate these policies and programs on the state level, as well as with local and regional levels. It is necessary to formulate and implement economic development policies and programs that are consistent with an economic development strategy for the State. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1987, c. 816, §P5 (AMD). 1991, c. 622, §F6 (AMD).

§13053. ESTABLISHMENT

The Department of Economic and Community Development is established to encourage economic and community planning and development policies and programs of the State and to coordinate these programs and policies within the context of a state economic development strategy. The department is also established to work with municipalities and regional planning and economic development organizations to build strong local and regional economics and to implement programs and services through these local and regional organizations. [1987, c. 816, Pt. P, §6 (AMD).]

The department shall encourage the creation and retention of quality jobs through increased private sector investment and to enhance the quality of life for all by assisting local governments to plan and implement comprehensive community planning and development strategies. [1987, c. 816, Pt. P, §6 (AMD).]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1987, c. 816, §P6 (AMD).

§13054. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

1. Commissioner. "Commissioner" means the Commissioner of Economic and Community Development.

[2003, c. 451, Pt. L, §1 (AMD) .]

2. Department. "Department" means the Department of Economic and Community Development.

[2003, c. 451, Pt. L, §1 (AMD) .]

2-A. Permit. "Permit" means a license, certificate, registration or other authorization required by a governmental agency for a business undertaking. "Permit" includes, but is not limited to, a permit by rule issued by the Department of Environmental Protection in accordance with Title 38, section 344, subsection 7.

[1991, c. 826, §1 (NEW) .]

3. State Development Office. "State Development Office" means the Department of Economic and Community Development.

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1991, c. 826, §1 (AMD). 2003, c. 20, §Q1 (AMD). 2003, c. 451, §L1 (AMD).

§13055. ORGANIZATION OF DEPARTMENT

The department shall consist of the organizations as established in this section to fulfill the purposes and mission as stated in this chapter and in a manner consistent with the State's economic development strategy. [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

1. Organizations. The department contains the following organizations:

A. The Office of Business Development; [2003, c. 198, §1 (AMD) .]

B. The Office of Tourism; [2003, c. 673, Pt. M, §2 (AMD) .]

F. The Office of Community Development; and [2003, c. 673, Pt. M, §2 (AMD) .]

G. The Office of Innovation. [2003, c. 673, Pt. M, §2 (NEW) .]

[2003, c. 673, Pt. M, §2 (AMD) .]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1987, c. 816, §§P7,P7A (AMD). 1989, c. 502, §B73 (AMD). 1989, c. 875, §§M2,3,13 (AMD). 1991, c. 622, §F7 (AMD). 1995, c. 560, §B2 (AMD). 2003, c. 198, §1 (AMD). 2003, c. 673, §M2 (AMD).

§13056. DUTIES AND RESPONSIBILITIES OF DEPARTMENT

The department shall have the duties and responsibilities to: [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

1. Implement policies and programs. Implement economic development policies and programs in compliance with the state economic development strategy;

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

2. Work with other organizations. Work with other state agencies, municipalities and regional planning, community and economic development organizations for the purpose of assisting and encouraging the orderly and coordinated development of the State;

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

3. Conduct planning and research. Conduct planning, research and analysis for department needs, but not macroeconomic forecasting, which is the responsibility of the Governor's Office of Policy and Management. The department shall gather, maintain and have access to all economic and other information necessary to the performance of its duties;

[2011, c. 655, Pt. DD, §6 (AMD); 2011, c. 655, Pt. DD, §24 (AFF) .]

4. Communication with private sector. Communicate, on a regular basis, with the private sector to inform the private sector of departmental programs and services and to determine the needs, problems and opportunities of the private sector;

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

5. Prepare and distribute publications. Prepare and distribute publications that:

A. Describe various business development programs within the State that are available to Maine businesses; [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

B. Describe the various community and economic development programs of the State; and [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

C. Market the State of Maine and its communities as suitable areas for business development; [2003, c. 159, §1 (AMD) .]

[2003, c. 159, §1 (AMD) .]

6. Implement programs. Implement economic and community development programs which are assigned to the department by the Governor or Legislature, including those formerly administered by the following other state agencies:

A. The programs of the State Development Office; and [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

B. Other community planning and development assistance programs of the State Planning Office; [2003, c. 159, §2 (AMD) .]

[2003, c. 159, §2 (AMD) .]

7. Contract for services. When contracting for services, to the maximum extent feasible, seek to use the State's private sector resources in conducting studies, providing services and preparing publications; and

[2003, c. 159, §3 (AMD) .]

8. Lead agency for business assistance in response to certain events. Be the lead agency for the State to provide information and business assistance to employers and businesses as part of the State's response to an event that causes the Department of Labor to carry out rapid-response activities as described in 29 United States Code, Sections 2801 to 2872 (2002).

[2003, c. 159, §4 (NEW) .]

SECTION HISTORY

1987, c. 534, §§A17, A19 (NEW). 2003, c. 159, §§1-4 (AMD). 2011, c. 655, Pt. DD, §6 (AMD). 2011, c. 655, Pt. DD, §24 (AFF) .

§13056-A. COMPREHENSIVE EVALUATION OF STATE INVESTMENTS IN ECONOMIC DEVELOPMENT

By February 1, 2013, the commissioner shall develop and submit to the Governor and the Legislature a plan for the comprehensive evaluation of state investments in economic development. Beginning February 1, 2014, the commissioner shall submit a biennial comprehensive evaluation of state investments in economic development, not to include programs evaluated pursuant to section 13107 or those independent evaluations required by federal programs, to the Governor and the Legislature. The evaluation must: [2011, c. 563, §2 (AMD).]

1. Outcome measures. Establish and report on outcome measures considered appropriate by public and private practitioners inside and outside of this State in the field of economic development, including measures that assess the overall economic performance of the programs to be evaluated under subsection 1-A, as demonstrated by the number of jobs created and wages paid that are attributable to the program, and any state revenues that are attributable to the activities of the program;

[2011, c. 563, §2 (AMD) .]

1-A. Programs identified for evaluation. Include, but is not limited to, the review of the following programs: the Maine Employment Tax Increment Financing Program, pursuant to Title 36, chapter 917; the Governor's Training Initiative Program, pursuant to Title 26, section 2031; the Loring Development Authority of Maine, pursuant to Title 5, section 13080; the visual media production certification program, pursuant to Title 5, section 13090-L; the promotion and marketing of state products through the department, pursuant to Title 5, section 13062; the Maine International Trade Center, pursuant to Title 10, section 945; municipal tax increment financing, pursuant to Title 30-A, section 5227; and the pine tree development zone program, pursuant to Title 30-A, section 5250-J;

[2011, c. 563, §2 (NEW) .]

2. Reviewers. Use independent, nonpartisan reviewers to assess the effect of economic development activities on the competitiveness of industry sectors in this State; and

[2011, c. 563, §2 (AMD) .]

3. Recommendations. Include recommendations to the Legislature on existing and proposed state-supported economic development programs and activities to affect economic development in this State.

[2007, c. 434, §1 (NEW) .]

SECTION HISTORY

2007, c. 434, §1 (NEW). 2011, c. 563, §2 (AMD).

§13056-B. REPORTING REQUIREMENTS OF RECIPIENTS OF ECONOMIC DEVELOPMENT FUNDING

To assist the department in preparing the comprehensive economic development evaluation pursuant to section 13056-A, a recipient of state economic development funding, including General Fund appropriations, dedicated revenue, tax expenditures as defined in section 1666 and general obligation bond proceeds for economic development, shall, in addition to any other reporting requirements required by law, collect, maintain and provide data as requested by the department. [2009, c. 337, §1 (AMD).]

SECTION HISTORY

2007, c. 434, §2 (NEW). 2009, c. 337, §1 (AMD).

§13056-C. MAINE ECONOMIC DEVELOPMENT EVALUATION FUND

1. Fund established. The Maine Economic Development Evaluation Fund, referred to in this section as "the fund," is established as a nonlapsing Other Special Revenue Funds account administered by the department for the purposes of funding the comprehensive economic development evaluation required pursuant to section 13056-A.

[2007, c. 434, §3 (NEW) .]

2. Fund sources. The fund receives money deposited by the Treasurer of State pursuant to this section and any other gift, grant or other source of revenue deposited for funding the comprehensive economic development evaluation required pursuant to section 13056-A.

[2007, c. 434, §3 (NEW) .]

3. Payments to fund. Notwithstanding section 1585 or any other provision of law, the department shall assess agencies or private entities that receive General Fund appropriations or general obligation bonds for economic development an amount for contribution to the fund that is not to exceed 0.8% of General Fund appropriations received by or general obligation bonds issued to an agency or entity for economic development efforts. Private entities that receive funds from general obligation bonds for economic development efforts shall pay to the Treasurer of State in the fiscal year in which the general obligation bond was issued an assessment amount determined by the department that is not to exceed 0.8% of the proceeds from the bond issue in any fiscal year, which payment must be made from available resources other than bond proceeds. Only those programs that receive \$250,000 or more in economic development appropriations in any fiscal year or those entities that receive funds from a general obligation bond issue of \$250,000 or more for economic development efforts in any fiscal year, as identified and certified by the department and the Office of Fiscal and Program Review, may be assessed pursuant to this subsection. The department shall provide to each agency or private entity an annual budget for the fund and a detailed account of each institution's required assessment. Total payments made pursuant to this section may not exceed \$200,000 in any fiscal year.

[2011, c. 563, §3 (AMD) .]

SECTION HISTORY

2007, c. 434, §3 (NEW). 2009, c. 337, §2 (AMD). 2011, c. 563, §3 (AMD).

§13057. COMMISSIONER; APPOINTMENT

The commissioner shall be appointed by the Governor, subject to review by the joint standing committee of the Legislature having jurisdiction over economic development matters and legislation and to confirmation by the Legislature. The commissioner shall serve at the pleasure of the Governor. [1987, c. 534, Pt. A, §§ 17, 19 (NEW) .]

1. Qualifications. The commissioner shall be a person with background, experience and interest in the areas of community and economic development.

[1987, c. 534, Pt. A, §§ 17, 19 (NEW) .]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW).

§13058. DUTIES AND RESPONSIBILITIES OF COMMISSIONER

The department shall be administered by the commissioner. The commissioner shall have the following powers and duties. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

1. Employ and remove staff. The commissioner shall employ and remove staff of the department. Persons employed in major policy-influencing positions, as defined in section 934-A, and professional staff whose positions were formerly located in the State Development Office serve at the pleasure of the commissioner. The office directors serve at the pleasure of the commissioner.

A. All professional positions that are unclassified positions and members of bargaining units and are transferred to the department from units of State Government other than the State Development Office retain their current status, including their rights as members of bargaining units. The position responsible for the administration of the tax incentive programs and classified, clerical and other nonprofessional staff must be hired pursuant to the Civil Service Law for classified state employees. [2005, c. 425, §4 (AMD).]

B. The commissioner may employ or engage such outside technical or professional consultants as may be necessary or appropriate to assist the office in carrying out its functions and may enter into contracts with other boards, commissions, departments and divisions of the State, with the University of Maine System or with private entities to assist the commissioner in carrying out the commissioner's duties under this chapter. [2005, c. 425, §4 (AMD).]

[2005, c. 425, §4 (AMD) .]

2. Accept federal funds. The commissioner may accept for the State any federal funds appropriated under any federal law relating to the authorized programs of the department, including community and economic development in those nonentitlement areas and for those projects duly authorized under the United States Housing and Community Development Act of 1974, Title 1, and its subsequent amendments. The commissioner may undertake the necessary duties and tasks to implement federal law with respect to the authorized programs of the department.

A. The commissioner may accept for the department any funds from any other agency of government, individual, group, foundation or corporation to carry out this chapter, including fees designated by the commissioner for books, brochures, pamphlets, films, photos, maps and similar materials. A revolving fund is established within the department for the use of the department to cover the printing and distribution costs of these materials. Income from the sale of publications shall be credited to the revolving fund to be used as a continuing carrying account to carry out the purposes of the revolving funds. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

2-A. Accept grants. The commissioner may accept grant funds from other public or private sources to be used to carry out the duties of the department.

[1989, c. 875, Pt. E, §7 (NEW) .]

3. Hold hearings and adopt rules. The commissioner may hold hearings and adopt rules, in accordance with the Maine Administrative Procedures Act, Title 5, chapter 375, with respect to the implementation of authorized programs of the department.

A. The commissioner may adopt rules to distribute funds or assistance under the United States Housing and Community Development Act of 1974, Title 1, and its subsequent amendments. The rules shall be consistent with the annual final statement for the State Community Development Program submitted to the Federal Government. The department shall give notice in writing of any such rules to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs at least 20 days before the hearing, as stipulated in the Maine Administrative Procedure Act, Title 5, chapter 375, or before the deadline for comments if no hearing is scheduled. [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

4. Coordinate programs and services. The commissioner shall coordinate the programs and services of the department. The commissioner shall coordinate the department's programs and services with those programs and services of other state agencies and regional planning and economic development organizations.

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

5. Review of program; report to Governor and Legislature. The commissioner shall review and evaluate the programs and functions of the department and the operation of the economic delivery system using the information available from the economic development evaluation pursuant to section 13056-A. The commissioner shall report the commissioner's findings and recommendations with respect to the issues described in this subsection to the Governor and to the Legislature no later than February 1st of each first regular session of the Legislature. The commissioner shall conduct the review and evaluation with respect to the following:

- A. The purpose of these programs and the degree to which the purpose is being met; [1993, c. 349, §14 (RPR) .]
- B. The degree of significance of the purpose of the programs and functions of the department; [1993, c. 349, §14 (RPR) .]
- C. The extent of the coordination of programs and services as required in subsection 4; [1993, c. 349, §14 (RPR) .]
- D. The needs, problems and opportunities that are not being met by the programs and services of the department; [1993, c. 349, §14 (RPR) .]
- E. The types of programs and services necessary to meet the needs, problems and opportunities as set out in paragraph D; [1993, c. 349, §14 (RPR) .]
- F. The problems and successes in the economic delivery system; [1993, c. 349, §14 (RPR) .]
- G. The state of small business in this State, including economic data, the effectiveness of state programs to aid small business, problems of small business that may be affected by state policies and such other information on small business as desired by the commissioner; [1993, c. 349, §14 (RPR) .]
- H. Within available resources, the extent of business growth and change, including business expansions, new businesses and business closings; [1999, c. 776, §4 (AMD) .]
- I. Within available resources, the status of investments in business in the State; and [1999, c. 776, §4 (AMD) .]
- J. The extent to which the purposes of the Maine Downtown Center are being met. [1999, c. 776, §5 (NEW) .]

[2009, c. 337, §3 (AMD) .]

6. Responsible for oversight. The commissioner shall be responsible for the oversight and implementation of the following:

- A. A program of assistance to encourage business development pursuant to subchapter II; [1987, c. 534, Pt. A, §§17, 19 (NEW) .]
- B. Community development programs; [1987, c. 534, Pt. A, §§17, 19 (NEW) .]
- C. A program of tourism promotion and development; [1987, c. 534, Pt. A, §§17, 19 (NEW) .]
- D. The promotion of Maine products and Maine as an investment opportunity; [1987, c. 534, Pt. A, §§17, 19 (NEW) .]

E. A foreign trade zone program; and [2001, c. 703, §2 (AMD).]

F. The Business Assistance Referral and Facilitation Program, pursuant to section 13063. [2001, c. 703, §2 (AMD).]

9. Designate and certify local and regional organizations. The commissioner may designate and certify competent local and regional economic development organizations to implement state programs and services in whole or in part.

A. The commissioner may assist in forming regional planning commissions and councils of governments and may assist with financing the cost of operation of the regional planning commissions established under Title 30, chapter 204-A, subchapter III, and councils of governments empowered under Title 30, chapter 204-A, subchapter II. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

B. The commissioner shall adopt rules with respect to standards and criteria for local and regional agencies to be certified and evaluate local and regional organizations in regard to the implementation of these programs and services. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

10. Assistance to municipalities to generate economic growth. The commissioner shall administer a program of assistance to municipalities to generate jobs and business development. Potential uses of this money include infrastructure development, planning and technical assistance, marketing and other types of capacity building.

A. This program may consist of a fund consisting of money derived from any general obligation bonds issued for the purposes of generating economic development and jobs. This fund with money not exceeding \$1,000,000 shall be administered by the Department of Economic and Community Development to provide assistance as defined in this subsection. Money available for the purpose of this subsection shall not be used to provide financial assistance to business. [1987, c. 769, Pt. A, §19 (NEW).]

18. Commissioner's designee. When the commissioner is explicitly empowered by statute to appoint a designee to replace the commissioner on any board, commission or similar body, none of which have a termination date, and the commissioner appoints a designee, the commissioner shall appoint that designee from within the commissioner's department. The commissioner shall make this designee known to the appointing authority and to the chair of the body to which the appointment is made, if that body exists at the time of appointment. The designee is the only person who may fill that appointee position until a successor is designated through the same appointment procedure.

[1995, c. 688, §7 (NEW) .]

19. Coordinate assessment of transportation needs related to economic development projects. The commissioner shall coordinate the activities of the department, the Department of Agriculture, Conservation and Forestry, the Department of Transportation and regional planning and economic development organizations to ensure that the location of rail lines, potential use of passenger and freight rail and costs of transportation improvements related to development are considered during initial planning and locating of projects reviewed by the commissioner in administering economic development programs under this chapter.

[2011, c. 655, Pt. JJ, §3 (AMD); 2011, c. 655, Pt. JJ, §41 (AFF); 2011, c. 657, Pt. W, §5 (REV) .]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1987, c. 769, §A19 (AMD). 1989, c. 501, §DD16 (AMD). 1989, c. 857, §44 (AMD). 1989, c. 875, §§E7,L3,4,M4 ,13 (AMD). 1993, c. 349, §14 (AMD). 1995, c. 462, §A11 (AMD). 1995, c. 688, §7 (AMD). 1997, c. 530, §A34 (AMD). 1999, c. 776, §§4-6 (AMD). 1999, c. 790, §R1 (AMD). 2001, c. 703, §§2,3 (AMD). 2003, c. 498, §1 (AMD). 2003, c. 673, §§M3,4 (AMD). 2005, c. 425, §4 (AMD). 2009, c. 337, §3 (AMD). 2011, c. 655, Pt. JJ, §3 (AMD). 2011, c. 655, Pt. JJ, §41 (AFF). 2011, c. 657, Pt. W, §5 (REV).

§13059. STATE AGENCIES TO COOPERATE

All state agencies and any other organizations designated by the department to implement community and economic development programs and policies shall cooperate with and expeditiously respond to requests of the department. [1987, c. 534, Pt. A, §§ 17, 19 (NEW).]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW).

Subchapter 2: BUSINESS DEVELOPMENT

Article 1: GENERAL PROVISIONS

§13061. OFFICE ESTABLISHED

The commissioner shall establish the Office of Business Development. This office shall encourage the initiation, expansion and location of businesses in Maine which would expand quality employment opportunities for Maine citizens. [1987, c. 534, Pt. A, §§ 17, 19 (NEW).]

The Office of Business Development shall encourage business by removing barriers to growth, facilitating exploration of opportunities and providing assistance necessary to enhance business consistent with the State's economic development strategy. [1987, c. 534, Pt. A, §§ 17, 19 (NEW).]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW).

§13062. OFFICE OF BUSINESS DEVELOPMENT

The Director of the Office of Business Development shall administer the office in accordance with the policies of the commissioner and the provisions of this chapter, emphasizing a program of targeted business development designed to attract particular types of businesses that have potential for Maine and businesses that are considered to be compatible with Maine's environment and interests. The office shall actively seek and encourage firms to expand or locate in Maine. The office is responsible for the implementation of programs designed to promote Maine products in national and international markets and to develop markets for industry located in Maine. [2003, c. 673, Pt. M, §6 (AMD).]

The Office of Business Development shall be responsible for the implementation of a program consisting of 3 primary elements. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

1. Business investment. Business investment shall be encouraged consistent with this subsection.

A. The office shall conduct an analysis of the various industrial sectors of the economy. The types of businesses to be targeted for attraction are those that have potential for development in Maine and that will contribute to a healthy climate for Maine's businesses, families and environment. [1999, c. 272, §1 (AMD).]

B. The office shall report its findings and recommendations to the commissioner. The commissioner, with the advice of the director shall determine the type and extent of the business investment program to be implemented. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

C. The director, with the approval of the commissioner, may make grants for market development from appropriations for that purpose to any municipality or group of municipalities which have received a grant of authority from the Federal Government to establish a foreign trade zone. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

D. Application for foreign trade zones shall be according to this paragraph.

(1) The director, with the approval of the commissioner, on behalf of the State, may make applications to the Foreign Trade Zone Board and establish foreign trade zones that are to be located on state-owned, leased or otherwise controlled property. A municipality, group of municipalities or a public or private corporation may, with the approval of the department, make applications to the Foreign Trade Zone Board and establish foreign trade zones at other locations. Foreign trade zones shall be established in or adjacent to any ports of entry in the State, where personal property in transit shall be exempt from the stock-in-trade tax and such other taxes and customs as are normally levied in a port of entry.

(2) Any development or activity with a foreign trade zone established in the State is subject to the laws which the Department of Environmental Protection, Department of Agriculture, Conservation and Forestry, Department of Marine Resources and Department of Inland Fisheries and Wildlife are responsible for administering, as well as any other law which protects the environment.

(3) For the purpose of this subsection, "personal property in transit" through the areas established under this paragraph means goods, wares and merchandise either moving in interstate or international commerce through these zones or consigned to a warehouse, public or private, within these zones, whether specified when transportation begins or afterward. This property shall not be deprived of exemption because, while in the warehouse, the property is assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled or repackaged. The exemption granted shall be liberally construed to effect the purposes of this subsection. The warehouse in which these goods, wares or merchandise are stored shall not be owned, in whole or in part, by either the consignee or consignor. This paragraph does not apply to agricultural products. [1989, c. 781, (AMD); 2011, c. 657, Pt. W, §5 (REV).]

[1999, c. 272, §1 (AMD); 2011, c. 657, Pt. W, §5 (REV) .]

2. Business assistance. Business assistance services shall be provided consistent with this subsection.

A. The office shall provide business assistance services that are convenient to businesses throughout the State. The office shall use certified local and regional economic development organizations, educational institutions or certified private sector firms to implement this subsection.

(1) Business assistance services shall include managerial and technical assistance and assistance with applications for loans and the completion of applications for licenses and permits from regulatory agencies.

(2) The office, in conjunction with local and regional organizations and other institutions and firms in the private sector with marketing expertise, may conduct seminars on marketing and marketing-related topics for Maine businesses. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

B. In accordance with section 13063, the office shall implement a business ombudsman program. [2011, c. 304, Pt. C, §1 (AMD).]

[2011, c. 304, Pt. C, §1 (AMD) .]

3. Industry-wide assistance and market development. The director shall be responsible for a program of industry-wide assistance and market development.

A. The director shall work with other state agencies which implement marketing programs and strive to coordinate the marketing activities of the department with those of other agencies whenever possible. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

B. The director shall be responsible, to the maximum extent possible, for providing assistance to industry sectors and business to identify market opportunities, develop market strategies and to promote industry-wide development. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

[1987, c. 534, Pt. A, §§17, 19 (NEW) .]

SECTION HISTORY

1987, c. 534, §§17, A19 (NEW). 1989, c. 781, (AMD). 1999, c. 272, §1 (AMD). 2003, c. 673, §M6 (AMD). 2011, c. 304, Pt. C, §1 (AMD). 2011, c. 657, Pt. W, §5 (REV).

Article 2: BUSINESS ASSISTANCE REFERRAL AND FACILITATION PROGRAM: PROGRAM RESPONSIBILITIES AND DELIVERY

§13063. BUSINESS OMBUDSMAN PROGRAM

The director shall establish and implement pursuant to this section the Business Ombudsman Program, referred to in this section as "the program," and the director shall serve as the ombudsman for the program. The program is established to: resolve problems encountered by businesses dealing with other state agencies; facilitate responsiveness of State Government to small business needs; report to the commissioner and the Legislature on breakdowns in the economic delivery system, including problems encountered by businesses dealing with state agencies; assist businesses by referring businesses and persons to resources that provide the business services or assistance requested; provide comprehensive permit information and assistance; and serve as a central clearinghouse of information with respect to business assistance programs and services available in the State. [2011, c. 304, Pt. C, §2 (AMD).]

1. Referral and central clearinghouse service. The ombudsman shall maintain and update annually a list of the business assistance programs and services and the names, locations, websites and telephone numbers of the organizations providing these programs and services that are available within the State. The ombudsman may publish a guide consisting of the business assistance programs and services available from public or private sector organizations throughout the State. This program must be designed to:

- A. Respond to written and oral requests for information about business services and assistance programs available throughout the State; [1987, c. 534, Pt. A, §§17, 19 (NEW).]
- B. Obtain and compile the most current and available information pertaining to business assistance programs and services within the State; [1987, c. 534, Pt. A, §§17, 19 (NEW).]
- C. Delineate the business assistance programs and services by type of program or service and by agency; and [1987, c. 534, Pt. A, §§17, 19 (NEW).]
- D. Maintain a list, to be updated annually, of marketing programs of state agencies with a description of each program. [1987, c. 534, Pt. A, §§17, 19 (NEW).]

[2011, c. 304, Pt. C, §2 (AMD) .]

2. Business fairness and responsiveness. The ombudsman shall implement a business fairness and responsiveness service designed to:

- A. Resolve problems encountered by businesses with other state agencies and with certified regional and local economic development organizations; [2011, c. 304, Pt. C, §2 (AMD).]
- B. Coordinate programs and services for business among agencies and all levels of government; [1987, c. 534, Pt. A, §§17, 19 (NEW).]
- C. Facilitate responsiveness of State Government to business needs; and [2011, c. 304, Pt. C, §2 (AMD).]
- D. Report to the commissioner and the Legislature any breakdowns in the economic delivery system, including problems encountered by businesses dealing with state agencies. [2011, c. 304, Pt. C, §2 (AMD).]

[2011, c. 304, Pt. C, §2 (AMD) .]

3. Comprehensive permit information. The ombudsman shall develop and maintain a program to provide comprehensive information on permits required for business undertakings, projects and activities and to make that information available to any person. This program must function as follows.

A. By December 15, 2011, each state agency required to review, approve or grant permits for business undertakings, projects and activities shall report to the office in a form prescribed by the office on each type of review, approval and permit administered by that state agency. Application forms, applicable agency rules and the estimated time period necessary for permit application consideration based on experience and statutory or regulatory requirements must accompany each state agency report. [2011, c. 304, Pt. C, §2 (AMD).]

B. Each state agency required to review, approve or grant permits for business undertakings, projects and activities, subsequent to its report pursuant to paragraph A, shall provide to the office, for information purposes only, a report of any new permit or modification of any existing permit together with applicable forms, rules and information required under subsections 1 and 2 regarding the new or modified permit. To ensure that the department's information is current, each agency shall report immediately to the office when a new permit is adopted or any existing permit is modified. "Permit," as used in this paragraph, refers to the categorical authorization required for an activity. "Permit" does not mean a permit issued to a particular individual or business. [1991, c. 826, §2 (NEW).]

C. The office shall prepare an information file on each state agency's permit requirements upon receipt of that state agency's reports and shall develop methods for that file's maintenance, revision, updating and ready access. [1991, c. 826, §2 (NEW).]

D. The office shall provide comprehensive permit information on the basis of the information received under this subsection. The office may prepare and distribute publications, guides and other materials explaining permit requirements affecting business and including requirements involving multiple permits or multiple state agencies that are based on the state agency reports and the information file for the convenience of permit applicants. [1991, c. 826, §2 (NEW).]

[2011, c. 304, Pt. C, §2 (AMD) .]

4. Permit assistance. By December 15, 2011, the ombudsman shall set up procedures to assist permit applicants who have encountered difficulties in obtaining timely and efficient permit review. These procedures must include the following.

A. Any applicant for permits required for a business undertaking, project or activity must be allowed to confer with the office to obtain assistance in the prompt and efficient processing and review of applications. [1991, c. 826, §2 (NEW) .]

B. The office shall, as far as possible, give assistance, and the ombudsman may designate an officer or employee of the office to act as an expeditor with the purpose of:

- (1) Facilitating contacts for the applicant with state agencies responsible for processing and reviewing permit applications;
- (2) Arranging conferences to clarify the interest and requirements of any state agency with respect to permit applications;
- (3) Considering with state agencies the feasibility of consolidating hearings and data required of the applicant;
- (4) Assisting the applicant in the resolution of outstanding issues identified by state agencies, including delays experienced in permit review; and
- (5) Coordinating federal, state and local permit review actions to the extent practicable. [2011, c. 304, Pt. C, §2 (AMD) .]

[2011, c. 304, Pt. C, §2 (AMD) .]

5. Retail business permitting program. By February 1, 2012, the ombudsman shall establish and administer a central permitting program for all permits required by retail businesses selling directly to the final consumer, including, but not limited to, permits required for the operation of hotels and motels, convenience stores and eating and lodging places, and permits required for the sale of liquor or beer, tobacco, food, beverages, lottery tickets and gasoline. Permits issued by the Department of Environmental Protection, the Department of Marine Resources and the Maine Land Use Planning Commission are not included in this program. The ombudsman shall:

A. Create a consolidated permit procedure that allows each business to check on a cover sheet all state permits for which it is applying and to receive all permit applications from a centralized office; [1993, c. 430, §1 (NEW) .]

B. Total all permit fees due from a business, collect those fees on a semiannual basis, with 1/2 of the total fees due by January 1st and 1/2 of the total fees due by July 1st, and distribute the fees to the appropriate funds or permitting entities; [1993, c. 430, §1 (NEW) .]

C. Forward a copy of the appropriate permit application to any commission, department, municipality or other agency that has responsibility for permitting that retail business; [1993, c. 430, §1 (NEW) .]

D. Develop a tracking system to track permits issued by state agencies. This system must at a minimum include information on the applicant, agency involvement, time elapsed or expended on the permit and action taken; [1993, c. 430, §1 (NEW) .]

E. Coordinate and supervise the permitting process to ensure that all involved state agencies process the applications and complete any necessary inspections in a timely fashion; and [1993, c. 430, §1 (NEW) .]

F. Respond to inquiries from the business community and requests for information from the individual permitting entities, including reports on the status of an application. [1993, c. 430, §1 (NEW) .]

A retail business is not required to participate in the retail business permitting program. An enforcement action taken against a retail business for a permit obtained through the retail business permitting program does not affect other permits issued to that same retail business through that program.

[2011, c. 304, Pt. C, §2 (AMD); 2011, c. 682, §38 (REV) .]

6. Municipal permitting agents. By February 1, 2012, the ombudsman shall establish a municipal centralized permitting program.

A. Upon application by the municipal officers of a municipality and upon evidence that the municipality meets all qualifications as determined by departmental rulemaking, the ombudsman shall appoint the municipality as a centralized permitting agent to provide all permits for retail businesses. Upon evidence that a municipality qualified to provide permits meets the qualifications for conducting the inspection associated with any of those permits as determined by departmental rulemaking, the ombudsman shall appoint that municipality as an agent to provide that inspection for retail businesses with less than 10,000 square feet of retail space. The ombudsman shall ensure that municipalities appointed as agents for purposes of inspection are qualified and capable of conducting those inspections in a manner that ensures compliance with all applicable public health and safety requirements. Retail businesses shall pay the municipality an additional fee of \$4 for each permit included in the consolidated application up to a limit of \$40. Municipalities may retain 1/2 of all fees collected for permits requiring inspection. The remaining 1/2 of those permit fees and all fees for permits not requiring inspection must be remitted to the department, which shall remit the fees to the issuing agency. A municipality with a population of less than 4,000 may contract with an appointed municipality for centralized permitting and inspection services. A retail business is not required to participate in the municipal central permitting program. [2011, c. 304, Pt. C, §2 (AMD) .]

B. The ombudsman shall make permitting and inspection training programs available to a municipality seeking appointment or appointed as a central permitting agent. The municipality shall pay a fee of \$25 for each person receiving permitting training and \$100 for each person receiving inspection training. [2011, c. 304, Pt. C, §2 (AMD) .]

C. A business that seeks to determine why it has not received its permits must be directed to the municipal office where the application was filed. That office shall bring the matter to the attention of the department, which shall contact the appropriate issuing agency. [1993, c. 430, §1 (NEW) .]

D. A joint standing committee of the Legislature that recommends legislation that involves a new permit for retail businesses shall indicate in the legislation whether the permit is to be included in the municipal centralized permitting program.

During a review under Title 3, chapter 35 of a permit issuing agency, the joint standing committee having responsibility for the review shall recommend whether any of the permits issued by that agency should be included in the municipal centralized permitting program. [1995, c. 488, §3 (AMD) .]

The ombudsman may extend by rulemaking, but may not curtail, the department's centralized permitting program or the municipal centralized permitting program, except that the programs may not be extended to include additional issuing agencies.

[2011, c. 304, Pt. C, §2 (AMD) .]

7. Goal and evaluation. It is the goal of the programs established in subsections 5 and 6 for retail businesses to obtain permits more quickly at no additional cost to the taxpayers of the State. The ombudsman shall devise and implement a program of data collection and analysis that allows a determination as to whether these goals have been met. This program must include the collection of benchmark data before the initiation of the programs and an enumeration of the number of municipalities participating in the program. By January 15, 2012 and every 2 years after that date, the ombudsman shall prepare and submit a report to the joint standing committee of the Legislature having jurisdiction over economic development matters regarding the effectiveness of the program and any recommendations as to why the retail business program and the municipal centralized permitting program should not be expanded to other sizes or types of businesses, to other issuing agencies and to smaller municipalities. The first report must contain an assessment of the levels of willingness of municipalities to participate in the programs established by this section.

[2011, c. 304, Pt. C, §2 (AMD) .]

8. Report. By January 15, 2012 and at least annually thereafter, the ombudsman shall report to the Governor and the joint standing committee of the Legislature having jurisdiction over economic development matters about the program with any recommendations for changes in the statutes to improve the program and its delivery of services to businesses. The joint standing committee of the Legislature having jurisdiction over economic development matters may report out a bill relating to the program.

[2011, c. 304, Pt. C, §2 (NEW) .]

SECTION HISTORY

1987, c. 534, §§A17,A19 (NEW). 1991, c. 826, §2 (AMD). 1993, c. 430, §1 (AMD). 1995, c. 488, §3 (AMD). RR 1997, c. 2, §§17,18 (COR). 2011, c. 304, Pt. C, §2 (AMD). 2011, c. 682, §38 (REV) .

Article 6: RETURN ON PUBLIC INVESTMENT FROM ECONOMIC DEVELOPMENT INCENTIVES

§13070-J. BUSINESS DISCLOSURE ASSOCIATED WITH ELIGIBILITY FOR PUBLIC SUBSIDIES AND INCENTIVES

1. Definitions. As used in this article, unless the context otherwise indicates, the following terms have the following meanings.

B. "Commissioner" means the Commissioner of Economic and Community Development. [1997, c. 761, §2 (NEW) .]

C. "Department" means the Department of Economic and Community Development. [1997, c. 761, §2 (NEW) .]

D. "Economic development incentive" means federal and state statutorily defined programs that receive state funds, dedicated revenue funds and tax expenditures as defined by section 1666 whose purposes are to create, attract or retain business entities related to business development in the State, including but not limited to:

- (1) Assistance from Maine Quality Centers under Title 20-A, chapter 431-A;
- (2) The Governor's Jobs Initiative Program under Title 26, chapter 25, subchapter 4;
- (3) Municipal tax increment financing under Title 30-A, chapter 206;
- (4) The jobs and investment tax credit under Title 36, section 5215;
- (5) The research expense tax credit under Title 36, section 5219-K;
- (6) Reimbursement for taxes paid on certain business property under Title 36, chapter 915;
- (7) Employment tax increment financing under Title 36, chapter 917;
- (8) The shipbuilding facility credit under Title 36, chapter 919;
- (9) The credit for seed capital investment under Title 36, section 5216-B; and
- (11) The credit for Maine fishery infrastructure investment under Title 36, section 5216-D. [2013, c. 588, Pt. A, §7 (AMD) .]

E. "Economic development proposal" means proposed legislation that establishes a new program or that expands an existing program that:

- (1) Is intended to encourage significant business expansion or retention in the State; and
- (2) Contains a tax expenditure, as defined in section 1664, or a budget expenditure with a cost that is estimated to exceed \$100,000 per year. [1999, c. 768, §1 (NEW) .]

[2013, c. 588, Pt. A, §7 (AMD) .]

2. Disclosure. Each applicant for an economic development incentive described in subsection 1, paragraph D, subparagraphs (1) to (4) and (7) shall at a minimum identify in writing:

A. The public purpose that will be served by the business through use of the economic development incentive and the specific uses to which the benefits will be put; and [2001, c. 481, §2 (AMD) .]

B. The goals of the business for the number, type and wage levels of jobs to be created or retained as a result of the economic development incentive received. [2001, c. 481, §2 (AMD) .]

Applications filed under this subsection are public records for purposes of Title 1, chapter 13.

[2001, c. 481, §2 (AMD) .]

4. Agency reports. The following agencies shall submit the following reports.

A. The State Tax Assessor shall submit a report by October 1st annually to the Legislature identifying the amount of public funds spent and the amount of revenues foregone as the result of economic development incentives. The report must identify the amount of the economic development incentives under the jurisdiction of the Bureau of Revenue Services received by each business to the extent permitted under Title 36, section 191 and other provisions of law concerning the confidentiality of information. [2001, c. 481, §2 (AMD).]

B. The Commissioner of Labor shall report by October 1st annually to the Legislature on the amount of public funds spent on workforce development and training programs directly benefiting businesses in the State. The report must identify the amount of economic development incentives under the jurisdiction of the Department of Labor received by each business and the public benefit resulting from those economic development incentives. [2001, c. 481, §2 (AMD).]

C. The Maine Community College System shall report by October 1st annually to the Legislature on the amount of public funds spent on job training programs directly benefiting businesses in the State. The report must identify the amount of economic development incentives under the jurisdiction of the system received by each business and the public benefit resulting from those economic development incentives. [2001, c. 481, §2 (AMD); 2003, c. 20, Pt. OO, §2 (AMD); 2003, c. 20, Pt. OO, §4 (AFF).]

D. [2009, c. 337, §5 (RP).]

E. [2009, c. 337, §5 (RP).]

F. [2009, c. 337, §5 (RP).]

[2009, c. 337, §5 (AMD) .]

SECTION HISTORY

1997, c. 761, §2 (NEW). 1999, c. 768, §§1,2 (AMD). 1999, c. 790, §A3 (AMD). RR 2001, c. 2, §A11 (COR). 2001, c. 481, §2 (AMD). 2001, c. 642, §§1-3 (AMD). 2001, c. 642, §12 (AFF). 2001, c. 652, §2 (AMD). 2001, c. 710, §§2,3 (AMD). 2001, c. 710, §4 (AFF). 2003, c. 20, §OO2 (AMD). 2003, c. 20, §OO4 (AFF). 2005, c. 519, §TTT1 (AMD). 2009, c. 337, §5 (AMD). 2011, c. 380, Pt. HHHH, §1 (AMD). 2011, c. 573, §1 (AMD). 2013, c. 588, Pt. A, §7 (AMD).

§13070-K. ECONOMIC DEVELOPMENT INCENTIVE CONTRACT

If the commissioner enters into a contractual relationship with a business regarding the provision of an economic development incentive in return for the business's agreement to locate, expand or retain its facilities in the State, that contract must contain a statement of the State's expected public benefit from its investment of public funds. [2001, c. 481, §3 (AMD).]

SECTION HISTORY

1997, c. 761, §2 (NEW). 2001, c. 481, §3 (AMD).

§13070-O. EVALUATION OF ECONOMIC DEVELOPMENT PROPOSALS

1. Criteria. An economic development proposal must:

- A. Have a program name that accurately describes the nature of the program; [1999, c. 768, §5 (NEW) .]
 - B. Have specific stated objectives, such as the number of jobs to be created or retained, the wage levels and benefits associated with those jobs or a project with significant value to the State or a community within the State; [1999, c. 768, §5 (NEW) .]
 - C. Specify a method to measure whether the objectives of the program have been met; [1999, c. 768, §5 (NEW) .]
 - D. Require that a business that receives benefits under the program report on the use of the benefits received; [1999, c. 768, §5 (NEW) .]
 - E. Require that the appropriate joint standing committee of the Legislature review the program at specific and regular intervals; [1999, c. 768, §5 (NEW) .]
 - F. Provide incentives for a business to meet objectives of the program and, when incentives are provided in anticipation of contractual performance, penalties for a business that does not meet the objectives of the program; [2007, c. 434, §4 (AMD) .]
 - G. Provide a cost analysis of the program based on at least a 10-year period; [2007, c. 434, §5 (AMD) .]
 - H. Have a clearly defined public purpose; [2007, c. 434, §6 (NEW) .]
 - I. In addition to standard data, report performance data specific to its goals and objectives annually to the entity that is assigned to coordinate the State's portfolio of economic development programs; and [2007, c. 434, §7 (NEW) .]
 - J. Require that a business that receives benefits under the program have a business statement that includes the requirements of section 13070-J, subsection 2. [2007, c. 434, §8 (NEW) .]
- [2007, c. 434, §§4-8 (AMD) .]

2. Review of criteria. The department shall review each economic development proposal and any information relevant to the proposal and shall report to the joint standing committee of the Legislature having jurisdiction over the proposal on the extent to which the proposal meets the criteria specified in subsection 1.

[1999, c. 768, §5 (NEW) .]

SECTION HISTORY

1999, c. 768, §5 (NEW). 2007, c. 434, §§4-8 (AMD) .